

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1477.
FILED, AUGUST 25th. 1966.

URBAN QUEBEC MINES LIMITED

Full corporate name of Company
Incorporated under the laws of the Province of Ontario as Macho
River Gold Mines Limited by Letters Patent dated August 25, 1947.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous
Filing Statement No. 1347.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Underwriting and option agreement on treasury shares (Item 6).
2. Head office address and any other office address.	Suite 509, 25 Adelaide Street West, Toronto 1, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>On November 4, 1965, Mr. F. Robert Boylen, a Director of the Company, resigned and his place on the Board was taken by Miss D. A. Boylen; and on June 20, 1966 following the Annual Meeting of the Company, changes took place in the offices of Vice-President, Secretary-Treasurer and Assistant Secretary-Treasurer. As a result of the foregoing changes, the names, addresses and chief occupations for the past five years of the present officers and directors are as follows:</p> <p>President & Director: FRED A. BOYLEN, 405 The Kingsway, Islington, Ontario, Mining Executive Vice-President & Director: G. D. PATTISON, R.R. No. 2, Aurora, Ontario. Corporate Secretary and Mining Executive. Secretary-Treasurer & Director: R. D. BELL, 7 Hi Mount Drive, Willowdale, Ontario. Corporate Secretary and Mining Executive. Asst. Sec.-Treas.: W. E. ESSERY, 37 Elm Avenue, Toronto 5, Ontario. Chartered Accountant. Director: D. A. BOYLEN, 405 The Kingsway, Islington, Ontario. Director: S. A. PERRY, 1 Benvenuto Place, Toronto 7, Ontario. Corporate Secretary and Mining Executive.</p>
4. Share capitalization showing authorized and issued and outstanding capital.	<p>Authorized: \$4,000,000.00 divided into 4,000,000 shares of \$1.00 par value each. Issued: 2,265,000</p>
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>By an underwriting and option agreement dated August 15, 1966, Draper Dobie & Company Ltd., 25 Adelaide Street West, Toronto, Ontario, (the Underwriter-Optionee) on behalf of clients, agreed to firmly purchase 400,000 treasury shares of the Company at the price of 15¢ per share, payable forthwith on the acceptance for filing of this Filing Statement. In consideration of the said firm commitment and conditional upon its fulfilment, the Company granted the Underwriter-Optionee an option to purchase all or any part of an additional 200,000 shares at 20¢ per share within three months of the date of acceptance hereof.</p>

AR86

File

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	The Underwriter-Optionee, in connection with the agreement described in item 6 hereof, is acting on behalf of Glenayr Investments Limited, 62 Richmond St. W., Toronto, Ontario as to 50%, Mount Robb Securities Limited, 1725 Bank St., Ottawa, Ontario as to 25% and Lanson Holdings Limited, 330 Bay St., Toronto, Ontario as to 25%. The only persons owning any beneficial interest in Glenayr are the trustees for the children of Ralph and Edith Fisher, 678 Briar Hill, Toronto, Ontario and in Mount Robb are W. A. Morgan, 1279 Lampman Crescent, Ottawa, Ontario, S. J. Pettigrew, 1780 Kilborn Avenue, Toronto, Ontario, Estate of J. A. Roberts, 1880 Barnhardt Place, Ottawa, Ontario, R. J. Armstrong, 302 Heath Street E., Toronto, Ontario and H. Lawlor, P.O. Box 253, West Mount, Montreal, Quebec and in Lanson is M. J. Boylen, 35 Kingsway Crescent, Toronto 18, Ontario.								
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Nil								
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company proposes to use available funds, including the proceeds from the current offer, to pay for its usual administrative expenses and to carry out the recommended exploration programs outlined in the accompanying report by Michael Zurowski, B.Sc. P.Eng. which calls for the following recommended expenditures on the Company's properties:</p> <table><tr><td>Pabineau River, New Brunswick</td><td>\$33,000.00</td></tr><tr><td>Cold Branch Brook, New Brunswick</td><td>7,000.00</td></tr><tr><td>Urban Township, Quebec</td><td>20,000.00</td></tr></table> <p>No part of the proceeds from the sale of the said shares will be used for any other purpose without full disclosure being given in an amending filing statement or filing statement.</p>			Pabineau River, New Brunswick	\$33,000.00	Cold Branch Brook, New Brunswick	7,000.00	Urban Township, Quebec	20,000.00
Pabineau River, New Brunswick	\$33,000.00								
Cold Branch Brook, New Brunswick	7,000.00								
Urban Township, Quebec	20,000.00								
10. Brief statement of company's chief development work during past year.	Since July 31, 1965 the Company has expended \$66,294.61 on its mining properties in New Brunswick for geological mapping, magnetic surveys and diamond drilling.								
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable								
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable								
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	22,500 shares of the Company are held in escrow by The Premier Trust Company, Toronto, subject to release therefrom only upon the written consent of the Toronto Stock Exchange.								
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	The said escrowed shares were issued on the direction of Messrs. John G. Canie and Elemer Galata in the name of Hartford Investments Limited, P.O. Box 1128, Nassau, Bahamas, pursuant to an option agreement dated November 23, 1964 made between the Company and John G. Canie and Elemer Galata (see Amending Filing Statement No.256 filed December 4, 1964). The owners of more than a 5% interest in Hartford Investments Limited are not known by the Company.								
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<u>Registered Shareholder</u>	<u>No. of Shares</u>	<u>Beneficial Owner</u>						
	Draper Dobie & Company Ltd,								
	Toronto, Ontario	251,776	not known						
	Houston & Co., Toronto, Ontario.	193,300	" "						
	James Richardson & Sons,								
	Winnipeg, Manitoba.	112,861	" "						
	Doherty Roadhouse & McCuaig Bros.,								
	Toronto, Ontario	269,211	" "						
	Ross, Knowles & Co. Ltd., Toronto	47,399	" "						

FINANCIAL STATEMENTS

URBAN QUEBEC MINES LIMITED
(Incorporated under the laws of Ontario)

BALANCE SHEET

July 31, 1966

- ASSETS -

Current assets

Cash	2,589.75	
Short term deposit	10,070.26	
Accountable exploration advances	3,565.66	16,225.67

Fixed assets

Mining claims, licenses, patents and leases at the consideration given therefor, consisting of 166,666 2/3 shares valued by the company at \$90,000.00 and \$46,289.88		136,289.88
---	--	------------

Deferred expenditures

Exploration expenditures, per statement . .		422,348.60
---	--	------------

\$ 574,864.15

- SHAREHOLDERS' EQUITY -

Capital stock

Authorized, 4,000,000 shares of \$1.00 par value	
Issued, 2,265,000 shares	2,265,000.00
Less Discount thereon	1,191,995.50
	1,073,004.50

Deduct Deficit - Administrative expenditures
per statement

498,140.35 574,864.15

\$ 574,864.15

APPROVED

Fred. A. Dwyer Director

J. L. L. L. Director

URBAN QUEBEC MINES LIMITED

STATEMENT OF DEFERRED EXPENDITURES

For the seven month period ended July 31, 1966

Balance, December 31, 1965 377,767.01

Exploration expense

Urban Township, Quebec

Government fees 765.00

New Brunswick

Government fees	115.95	
Maps and prints	164.46	
Travel	5,148.90	
Consulting	5,107.75	
Rentals	207.80	
Postage, telephone, telegraph	103.58	
Wages	100.00	
Assays	1,726.40	
Engineer	227.50	
Diamond drilling	29,981.29	
Survey expense	645.10	
Sundry	28.63	43,557.36

General

Government fees and licenses 259.23 44,581.59

Balance, July 31, 1966 \$ 422,348.60

STATEMENT OF DEFICIT

For the seven month period ended July 31, 1966

Balance, December 31, 1965		493,709.72
<u>Administration</u>		
Directors' fees	650.00	
Listing fees	100.00	
Stock transfer expense	542.00	
Office expense	515.38	
Head office administration	1,500.00	
Rent	315.00	
Travel	572.45	
Government fees	90.00	
Shareholders' information expense	939.16	
Legal expenses	75.00	
Audit expenses	50.00	
	<u>5,348.99</u>	
<u>Deduct: Interest earned</u>	<u>918.36</u>	<u>4,430.63</u>
Balance, July 31, 1966		<u>\$ 498,140.35</u>

URBAN QUEBEC MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the seven month period ended July 31, 1966

<u>Source of funds</u>		Nil
<u>Application of funds</u>		
Exploration and development expenditures . .	44,581.59	
Administrative expenditures	<u>4,430.63</u>	<u>49,012.22</u>
<u>Decrease in working capital during period . .</u>		<u>\$ 49,012.22</u>
<u>Decrease in working capital consists of:</u>		
Working capital, December 31, 1965		
Cash	3,280.39	
Short term deposits and accrued interest . .	65,121.32	
Accountable exploration advances	<u>667.81</u>	
	<u>69,069.52</u>	
Less: Accounts payable and accrued liabilities	<u>3,831.63</u>	65,237.89
<u>Deduct</u>		
Working capital, July 31, 1966		
Cash	2,589.75	
Short term deposits and accrued interest . .	10,070.26	
Accountable exploration advances	<u>3,565.66</u>	<u>16,225.67</u>
		<u>\$ 49,012.22</u>

APPROVED

Fred. A. Boyer Director

J. L. Laroche Director

ENGINEER'S REPORT

NOTE: The following are excerpts from a report by M. Zurowski, B.Sc., P.Eng., dated July 29th, 1966, on various mining properties of Urban Quebec Mines Ltd., located in the Provinces of New Brunswick and Quebec. A complete copy of this report is on file with the Toronto Stock Exchange.

The President and Directors,
Urban Quebec Mines Limited,
Suite 509 - 25 Adelaide Street, West,
Toronto 1, Ontario.

July 29th, 1966.

Gentlemen:

The company holds clear title to five mining properties, located as follows:

1. Pabineau River Property - Gloucester County, New Brunswick.
2. Cold Branch Brook Property - Gloucester County, N. B.
3. Gold property - Urban Township, Quebec.
4. Uranium Property - Cardiff Township, Ontario.
5. Lithium Property - Cosgrove Lake Area, Ontario.

A brief history as to the exploratory work performed and the results obtained on the forementioned properties is described below. Additional exploratory work is recommended on several of the properties and the estimate of cost to carry out the recommended work is herewith provided.

1. Pabineau River Property - New Brunswick

Summary

This property consists of fifty-seven (57) contiguous mining claims and they adjoin to the west of the holdings of Key Anacon Mines Limited, in the County of Gloucester, Province of New Brunswick.

The claim group is readily reached from the town of Bathurst, by the mining road servicing the mine sites of Key Anacon and Brunswick Mining and Smelting Corporation Limited.

The property is underlain primarily by sedimentary rocks, Ordovician in age and intruded by granitic rocks of Devonian age.

The sedimentary sequence consists essentially of varicolored slates and argillites, greywacke, graphitic argillites, tuff, quartzites and a variety of porphyries, the latter a rock of sedimentary origin occurring widespread throughout the Bathurst metallogenic area.

The strike of the rocks vary considerably, dips are generally 50 to 60 degrees to the west.

During the period October 1st, 1965 to June 1st, 1966, the following work was performed on the Pabineau River claim group:-

1. Geological mapping
2. Electromagnetic Survey
3. Magnetic Survey
4. Geochemical Survey
5. Diamond Drilling

Sixteen drill holes were bored to investigate various electromagnetic, magnetic and geochemical soil anomalies. Total footage drilled amounted to 6445.0 feet.

Conclusions

The only mineralization of any consequence obtained in the program of diamond drilling was molybdenite. Two areas containing molybdenite mineralization in granitic rocks and near the granite-sediment contact were revealed on the property. Although several interesting intersections containing molybdenite were obtained, the overall dimensions and tenor of these deposits are low to constitute ore.

The molybdenite mineralization occurs in quartz veins, dikes of pink aplite cutting the main mass of biotite granite and the granite itself. Approximately 4.5 miles of the granite-sediment contact area occurs on the property of Urban Quebec Mines Limited. To date a relatively small portion of this area has been investigated for molybdenite mineralization. Therefore it is considered that economic concentrations of molybdenite mineralization could be present on the property.

Recommendations

It is recommended that at least \$33,000.00 be allocated for this property in order to explore the favourable geological environment for molybdenite-bearing deposits.

The exploratory work should take the form of geochemical soil sampling, trenching and diamond drilling.

2. Cold Branch Brook Property - New Brunswick

Summary

This property consists of fifteen (15) contiguous mining claims and they adjoin to the east the property of Key Anacon Mines Limited.

The property is underlain by sediments of the Tetagouche group, Ordovician in age and these are partially overlain by the Bathurst formation, essentially a sandstone - Pennsylvanian in age.

The strike of the rocks are north-south and dips are steep to the east.

Exploratory work to date on the acreage consists of geophysical surveys and diamond drilling.

The work completed by Urban Quebec Mines during the current year, was a magnetic survey and the boring of one drill hole to a depth of 751.0 feet.

Conclusions

The forementioned drill hole was drilled to investigate a magnetic anomaly and an electromagnetic anomaly situated on the west flank of the magnetic high. Sediments were the main rock types encountered. Mineralization consisted of magnetite and pyrite.

Two additional anomalies were outlined and these have not been investigated to date.

Recommendations

Further exploratory work on this property should be confined to the area containing the magnetic anomalies.

It is recommended that \$7,000.00 be allocated for geochemical soil sampling and diamond drilling to investigate these anomalies for economic mineralization.

3. Gold Property - Urban Township, Quebec

Summary

The most recent exploratory work conducted on this property was carried out during 1964. The technical report describing the results of this work was prepared by James R. Glass, B.Sc., dated February 23rd, 1965 and it is available from the company's files.

Conclusions and Recommendations

The writer concurs with the recommendations of James R. Glass, B.Sc., as set forth in this report and estimates that the cost to carry out the recommended program would be in the order of \$20,000.00, minimum.

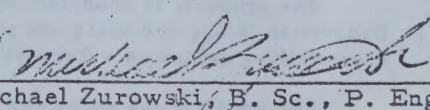
CERTIFICATE

I, Michael Zurowski of the City of Toronto, in the Province of Ontario, hereby certify as follows:-

1. That I am a practising Geological Engineer with offices at Suite 515 - 25 Adelaide Street, West, Toronto, Ontario. I am associated with the firm of M. E. M. Consultants Ltd., Toronto, Ontario.
2. That I am a graduate of the University of Saskatchewan, Saskatoon, Sask., hold the degree of B.Sc., in Geological Engineering and am a member of the Association of Professional Engineers of the Province of Ontario.
3. That I have no interest either directly or indirectly, and I do not expect to receive any interest either directly or indirectly in the properties or securities of Urban Quebec Mines Limited.
4. That the accompanying report:-
 - (a) with respect to the properties located in Gloucester County, New Brunswick and Cosgrove Lake Area, Ontario is based on personal knowledge gained as the company's Consulting Geologist.
 - (b) with respect to the properties located in Urban Township, Quebec and Cardiff Township, Ontario is based upon information in the company's files and publications of the Department of Natural Resources, Quebec and Department of Mines, Ontario.
5. That this certificate applies to properties at present owned by Urban Quebec Mines Limited located in Gloucester County, New Brunswick, Cardiff Township, Ontario and Urban Township, Quebec.

DATED at Toronto, Ontario, this 29th. day of July 1966.

MZ/sp


Michael Zurowski, B. Sc., P. Eng.

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person or group owns sufficient shares to control the Company; however, present management is able to materially affect control through obtaining proxies from shareholders.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Nil
18. Brief statement of any lawsuits pending or in process against company or its properties.	Nil
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	Nil
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	Shares are not now in primary distribution, but will be in primary distribution upon the acceptance hereof. There are no other material facts.

DATED August 15, 1966

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"F.A. Boylen"

URBAN QUEBEC MINES LIMITED

Fred A. Boylen
Director

CORPORATE
SEAL

"G.D. Pattison"

G.D. Pattison
Director

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

DRAPER DOBIE & COMPANY LTD.

"W.M. Wismer"

W.M. Wismer
D. J. Coulter

"D.J. Coulter"

